

Color Planning Is Personality Clue

Gigantic Firm Originated as One-Man Store

The story of Sears, Roebuck and Co., whose newest retail store opened in Torrance Wednesday, is one of the most interesting in the annals of American business.

Last year it took over 200,000 employees to run the company, yet in 1886 the business that became Sears was a "one-man" mail order house operated by the station agent in little North Redwood, Minn.

The story goes that the jeweler in North Redwood, afraid of becoming overstocked, decided not to accept a shipment of watches sent to him. The shipment was returned to the railway office.

THE STATION agent, Richard W. Sears, obtained permission to dispose of the watches. He thought it would be to his credit if he was able to get the railroad its express charges.

Young Sears sent handwritten letters to railroad men he knew and told them about the watches. The shipment vanished and left the young man with extra money in his pocket and with a merchandising idea whose possibilities excited him.

IN A FEW months, Sears' spare-time job had outgrown in importance his duties with the railroad. At the age of 20, he moved to Minneapolis and founded his first mail order house.

The Minneapolis enterprise was an instantaneous success. He then moved his business to Chicago and it continued to flourish until 1889, when he sold out and made a contract with the buyers not to re-enter the mail order business in Chicago for a period of three years.

With what was in those days a sizeable fortune to his credit, Sears played with the idea of becoming a banker in an Iowa country town. The fate of what was to become Sears, Roebuck and Co. hinged on his decision at this point.

AT LENGTH, he decided to return to the mail order business and started his second house in Minneapolis. He took a partner, A. C. Roebuck, whom he had employed as a watchmaker in his first venture. This business followed the example of its predecessor and moved to Chicago where, in 1893, the present name, "Sears, Roebuck and Co." was adopted.

Expressed briefly, the merchandising philosophy under which the firm then began to attain its great growth was to reduce to the absolute practical minimum the expense of moving goods from producer to consumer. There followed establishment of the famous guarantee: "Satisfaction guaranteed or your money back."

CUSTOMERS received further protection when the company, in 1911, became the first distributor to establish testing laboratories. From then to now, Sears laboratories have checked on both the matter and the manner of every merchandise line sold by the company.

The company's Pacific Coast organization is directed by Vice President A. T. Cushman, himself a native Westerner whose first job with Sears was an extra salesman in the men's clothing department of the company's Oakland store.

Where, 73 years ago, Sears, Roebuck and Co. was little more than a flowering idea in the head of a young station agent in a tiny Minnesota town, today it is a firm with over 142,000 stockholders with employees themselves holding 26 per cent of the company's stock in a profit sharing and pension fund which is in itself the company's largest shareholder.

A history of Sears, Roebuck and Co., entitled "Catalogs and Counters," has been published by the University of Chicago Press and contains a most comprehensive appraisal of the causes and methods which have led to the development of one of the great business institutions built upon direct service to the American consuming public.

"Color planning and furnishing of the home is probably the most important single outward sign of the family's personality," is the advice of Wally Wallner, manager of the spacious and glamorous furniture department at the Torrance Sears store.

Wallner feels that the colors and furniture in a home are the first impression-forming things every visitor comes in contact with and that everyone who enters a room judges the occupants to some degree by what he sees, whether it be the mailman, a client, the TV repairman, the husband's boss, or any friend or relative. Therefore, its furnishing and color plan are of utmost importance.

THE MANAGER of the largest department in the new store said, "The color planning of the home should have over-all continuity. Each room should be decorated tastefully in itself, but beyond that, all the rooms in a home should have color relationship to one another because, as one passes from room to room, all are in effect adjoining. And more important, the whole thing is what forms the family impression in the mind of every visitor."

Wallner, a veteran of 18 years with Sears, all in the furniture department, agrees that this may sound difficult and some people may even think it is impossible. He assures the skeptics that it's not, however, with the Harmony House color program. This Sears exclusive color program is based on a group of 16 basic color families, each with a distinct color name. The colors within each family vary only from light to dark shades which provide absolute assurance that they will go together attractively in a single home.

"IN ADDITION," there is a Harmony House color planning guide which tells simply how the different major colors you choose or already have may be used together harmoniously. After the major colors are chosen for any room, the color planning guide spells out which of the other color families will go well as accent colors with the major colors," Wallner said.

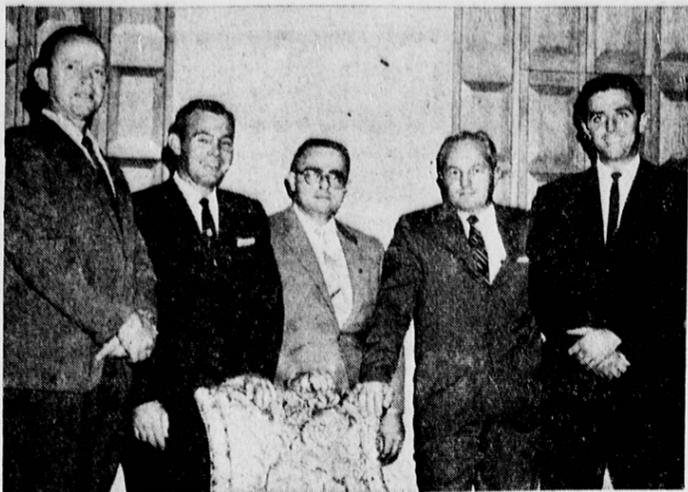
With the color planning guide, over-all home color coordination is easy for every homemaker in that she can use one of the accent colors in one room as the major color in another and so establish the color relationship throughout the entire house.

ALL HOME furnishing items in addition to paint and wall paper are available in Harmony House colors so the color planning includes not only walls but floor coverings, draperies, curtains, bedspreads, and upholstered furniture. It gives the homemaker the opportunity to color-coordinate everything in her home.

"Continuity of furniture is also important to create the most favorable family impression possible. Various types and styles of furniture carelessly intermixed, even in different rooms, can be disturbing and defeat over-all home decorator planning," advises Wallner, who adds, "Harmony House coordinated furniture groups solve this problem, too. Furnishings of almost any type, period, style, or finish are available in coordinated groups, and the decorator relationship of the whole home is easily established and maintained."

FURNITURE arrangement and re-arrangement are also made easy through the Harmony House floor chart with furniture cut-outs. These simple devices allow you to plan your furniture arrangement on paper simply and easily with a scale and chart and scale cut-outs representing standard size pieces of furniture. These can be of great assistance when buying new or re-arranging furniture, and assure the homemaker that everything will fit and function properly.

With all this assistance, Wallner suggests that it's easy for every homemaker to decorator-plan every room in her home with the confidence of a professional. Harmony House colors and the free color planning guide, floor plan chart and cut-outs, along with Harmony House coordinated furniture groups, are



HOME FURNISHINGS . . . Almost one third of the main floor is devoted to home furnishing departments under the direction of these five managers (from left), Walter Wallner, furniture, beds, mattresses; Robert Musser, venetian blinds, exterior window coverings; Robert Ruppert, draperies, curtains, bedspreads; Al Carlton, floor covering; and James Rush, gifts, lamps.



MAJOR APPLIANCES . . . Leading appliances bearing the Kenmore, Silvertone, and Goldspot brand names are stocked in departments managed by this five-man team (from left) Ozlar Mallin, refrigerators and freezers; Henry Crosby, radios, televisions, and phonographs; Roy Roth, sewing machines; Harry Bollman, washing machines and dryers; Erling Dalen, stoves and custom kitchens.

available from the furniture department of the new Sears store.

Revolving Charge Ideal For Shoppers

Called Sears Revolving Charge, this modern shopping convenience is destined to be one of the most popular customer services in the new Torrance Sears store for day-to-day needs. After opening an account, the customer simply presents his SRC identification card to the salesperson when making purchases. It is fast and so easy to use!

This plan offers all the services of a regular charge account plus the advantage of spreading payments over a number of months.

The amount paid each month depends on the balance of the customer's account. Monthly statements show the amount due. As the balance increases, the payment increases, and as the balance decreases, so does the payment.

POPULATION SHIFT The people living in Asia, estimated at more than 1,250 million, are more than double the number in Europe and four times the combined population of the western hemisphere.



FOR THE BUILDER . . . A spacious, heavily stocked hardware department has a complete line of the famous Sears building equipment and hand tools for the carpenter, plumber, and weekend handyman.

YEAR-ROUND COMFORT IS SHOPPERS' BONUS

Year-round comfort is assured customers and employees of the big Sears, Roebuck and Co. store in Torrance.

A new type, modulated temperature system provides air-conditioning throughout the building, cooling or heating the air according to seasonal requirement. J. G. Lowe, Sears manager, explained.

With this system, temperatures may be regulated by zones within the store. Thermostats can call for either heating, cooling, or just ventilated air, which is sent by an intricate duct network to the part of the building requiring the conditioned air.

BY THIS METHOD, a supply of conditioned air is always available to meet the requirements in any of 29 different parts of the huge store. A modulated, even temperature is maintained, although various activities may be occurring at different sections of the building and at various times of the day.

On mild days, 100 per cent outside air can be introduced, filtered and circulated throughout the building, thus effecting substantial savings in operating costs when the

outside air is cooler than the inside of the building.

The entire system cools or heats, ventilates, circulates and filters the air before it reaches the space to be air-conditioned. The cooling is provided by equipment of 572-ton refrigeration capacity. It circulates 1500 gallons of chilled water per minute. Giant fans blow 170,255 cubic feet of cleansed and cooled air throughout the store each minute. By means of this system a complete change of air is accomplished every seven minutes.

Opening

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ing materials, automobile supplies, washers, dryers, housewares, stoves, ranges and all of the merchandise in this category bearing Sears' famous brand names.

The middle section of the store is entirely devoted to the apparel lines. Here the shopper finds such needs as infants' and children's wear, handbags, gloves, neckwear and jewelry; women's ready-to-wear, lingerie, robes, corsets, girls' and teen-wear, juniors', misses' and women's dresses, blouses, skirts, sportswear, sweaters, coats, suits and furs.

THE EAST SECTION of the store is given over to home furnishings, furniture, rugs, curtains, draperies, upholstery, bedspreads, dinnerware, pictures, lamps, smokers, mirrors, home decorating accessories, radios, and television, musical instruments, and phonograph records. Here also are the domestic departments with their sheets, pillow cases, towels, bath mats, linens, blankets, comforters and quilts.

Adjacent to the east of the main store is the garden shop and a large boat sales area covering a total area of 15,280 square feet. Further east and separated from the main building is a complete automobile service station. Its equipment for servicing cars is of the most advanced design obtainable. Much of it has been engineered exclusively for Sears through research projects assigned by the company to California Institute of Technology.

OPENING DAY viewers of

Employees Eligible for Sears Generous Profit-Sharing Plan

When new employees at Torrance's new Sears, Roebuck and Co. Store have completed one year of service with the company, they will become eligible to join a unique profit sharing fund of which 97 per cent of all Sears regular employees throughout the country are members.

Profit sharing at Sears, or what in its full terminology is known as the "Savings and Profit Sharing Pension Fund of Sears, Roebuck and Co. Employees," is now in its 43rd year.

LAUNCHED IN AN era when profit sharing generally was looked upon in the business world as a disturbing if not actually radical idea, the Sears profit sharing plan has continued to grow and prosper through two World Wars and two major depressions.

It has 140,000 employees, including some still in military service, and this personnel, taken collectively as members of the profit sharing fund, is the largest single shareholder the company has, owning approximately 26 per cent of all the outstanding stock of the company.

THE EXPRESSED purposes of the profit sharing plan at Sears have never been altered since the fund was founded in 1916. They are today, as then:

1. To permit employees to share in the profits of the company.
2. To encourage the habit of saving.
3. To provide a plan through which each eligible employee may accumulate his own savings, the company's contributions and the earnings of his accumulations as a means of providing an income for himself at the close of his active business career.

MEMBERSHIP in Sears profit sharing plans is purely optional. An employee contributes five per cent of his salary up to a maximum of \$500 a year. Thus an annual compensation of \$10,000 is the maximum measure of any employee's participation in the profit sharing fund. This limitation is deemed advisable because it restrains higher salaried employees from hogging the fund.

On its side, the company contributes, depending on the amount of its earnings, up to 10 per cent of its annual profits before deduction of federal taxes or dividends. The combined amounts of the employees' and the company's contributions are invested for the most part in Sears common stock bought at whatever price the trustees of the fund deem prudent.

THE SHARES thus purchased are then credited to the individual account numbers on the basis of their individual savings - deposits. Dividends from the stock accredited to these accounts are used for

the mammoth new Sears merchandising center stated that the store fulfills a rather extraordinary expression of what it properly might be expected to contribute toward expediting the performance of retailing's principal function.

the purchase of more stock which in turn is credited to accounts of the individual depositors. In addition to the Sears stock purchases, certain proportions of the fund's assets are put into government bonds, blue chip stocks, and cash.

Fund depositors, or members, share in the distribution of the company's contribution according to their length of service. There are four service classifications: less than five years with the company; 5 to 10 years; 10 or more years, and a fourth classification consisting of members past 50 years of age having 15 or more years of service with the company.

THE COMPANY'S contribution each year is credited to the accounts of the individual members, pro-rata, on approximately the basis of one, two, three or four times their re-year, depending on the service classification of the individual member. For instance, in 1958 the company's contribution to the profit sharing fund was \$38,000,000.

While the financial return on savings approaches the sensational as long as profits and the stock market hold up, the employee-member is assured that he will still make some profit from his own savings even in times of severe economic distress, for he is always assured that he will be able to withdraw all of his own saving plus 5 per cent interest.

THE PROFIT sharing fund keeps abreast of the times through amendments of its rules and regulations. Throughout the 43 years of the fund's history, the trustees, not less than 5 or more than 7, appointed by the company's board of directors, have had the final authority for management of the plan, but since 1939 an Advisory Council, made up of 11 employee members, has served actively in guiding the decisions of the trustees. The Advisory Council meets at least once a year with the trustees to discuss intimate member problems and to make recommendations for improvement of the fund.

Except for amendments, designed to meet emergencies of the moment, the original regulations pertaining to withdrawals from the fund, remain about the same. They provide that a depositor who has completed five years of service may, upon ceasing to be a member of the fund, withdraw all moneys and securities credited to his account. After ten years of service, a depositor may apply for withdrawal from time to time of such credits as shall not exceed one-half of the moneys and securities credited to him.

DEPOSITORS PAST 50 and with 15 years or more of service, may apply for larger partial withdrawals, as in the event of death or serious illness in a member's immediate family.

From the long view of 43 years, it would certainly seem that Sears profit sharing plan has met with something more than a mere modicum of success. As of Dec. 31, 1958, the fund consisted of cash and miscellaneous investments amounting to \$274,754,213 and 19,809,300 shares of Sears stock of the market value of \$787,419,875 or total assets of \$1,062,173,888.

...Barton

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time was comprised of stores in California, Southern Oregon, Nevada and Arizona.

WHEN A. T. CUSHMAN was placed in charge of the company's Pacific Coast Territory, Barton succeeded him as Los Angeles Retail District Manager.

"For many years," Barton said, "we have been aware of the need for expansion of our retailing facilities to cope with the great growth of Torrance and the South Bay Area. Our new store is built to specifications of size, shopping comfort and convenience, not only to meet present needs, but with an eye on the retailing requirements of Torrance's even greater future growth and development in which we of Sears have placed our utmost faith and confidence."

...Cushman

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man said, "we had reached a conclusive decision to build a large new store for Torrance. Selection of the ultimate site became a matter of prime importance."

Even after the site for the new store was virtually decided upon, but immediately prior to the signing of the lease for the property, Cushman told of how he and a group of his Sears associates made a special flight over Torrance in his company's private DC-3 plane to look over all of the greater South Bay area from the air.

THE SIGHT presented by the bird's-eye view of the city and its environs made it readily apparent that the Torrance location was the dominant one in its relationship to the pattern of Torrance's booming growth. It was only after this survey-inspection of the city from the sky, revealing to every man aboard the plane the precise perfection of the site, that the Sears management concluded negotiations for the site.

Cushman is a member of the Los Angeles Rotary Club, Jonathan Club and California Club. He is on the Sears board of directors and on the board of Allstate Insurance Co. and Allstate Fire Insurance Co., and a member of the Bank of America board as well. He is also a member of the executive board of the Los Angeles Area Council of the Boy Scouts of America, Merchants and Manufacturers Assn., Greater Los Angeles Area Building Funds, Inc., All Year Club of Southern California, the Los Angeles Y.M.C.A. and Los Angeles Beautiful.

...Lowe

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furnishings, paints, ladies' ready-to-wear, corsets, infants' wear, lingerie, hosiery, boys' clothing, men's work clothing, men's dress clothing, and china and glassware.

Lowe received his first appointment to store management in August, 1956, when he took over the management reins at Sears Vermont Ave. store.

ADVANCEMENT continued to come to Lowe as he was promoted to manager of Sears-Inglewood in February, 1958. While in Inglewood he was active in that city's Rotary Club and Retail Merchants Assn. as well as being closely associated with Inglewood's Red Cross and Y.M.C.A. organizations.

Lowe's appointment to management of Sears-Torrance was effective May, 1959.

...Appeal

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er merchandise easily and quickly."

"IN BUILDING this store for Torrance, our merchandise executives, display men, and store planning engineers kept the customer in mind at all times, and everything was worked out with the idea of making the store outstanding in its convenience to shoppers.

"However, while continually striving for layout efficiency, other important factors such as eye appeal and the dramatic presentation were not overlooked.



FOR THE HOME . . . Clocks, table lamps, and pictures to aid the home decorator are shown here in this feature display which can be seen from the main aisle of the home furnishings section.